

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: JUNE 30, 2010

COMMITTEE MEMBERS PRESENT:

SUPERVISORS GOODSPEED
THOMAS
MERLINO
STEC
GIRARD
MCDEVITT

COMMITTEE MEMBER ABSENT:

SUPERVISOR BENTLEY

OTHERS PRESENT:

MICHAEL SWAN, DIRECTOR, REAL PROPERTY TAX
SERVICES
PAUL DUSEK, COUNTY ATTORNEY/COMMISSIONER OF
ADMINISTRATIVE & FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISOR LOEB
SUPERVISOR STRAINER
SUPERVISOR MCCOY
SUPERVISOR TAYLOR
DON LEHMAN, *THE POST STAR*
JOANNE COLLINS, LEGISLATIVE OFFICE SPECIALIST

Mr. Goodspeed called the meeting of the Real Property Tax Services Committee to order at 11:03 a.m.

Motion was made by Mr. McDevitt, seconded by Mr. Girard and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Michael Swan, Director of Real Property Tax Services (RPTS) who distributed copies of the agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Mr. Swan presented a request to enter into a contract with Northco Products, Inc., to bulk plot tax maps for the Towns and Real Property Tax Services, at a rate of \$1.05 per full size sheet and \$.46 per half size sheet, for the period from July 16, 2010 through July 16, 2011, for a total amount not to exceed \$2,700. He noted that Northco Products, Inc., had provided services to the County for approximately 10 years and they were the low bidder.

Motion was made by Mr. Girard, seconded by Mr. Stec and carried unanimously to approve the request for a contract as outlined above and the necessary resolution was authorized for the July 16, 2010 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Mr. Swan presented a request to transfer funds in the amount of \$95 to replace the color printer used for aerial color photo customer maps.

Motion was made by Mr. Girard, seconded by Mr. Stec to approve the request to transfer funds in the amount of \$95 to purchase a color printer.

Paul Dusek, County Attorney/Commissioner of Administrative & Fiscal Services, stated that printers located throughout the Municipal Center should be considered for use or moved when practical with the assistance of the IT Department. Mr. Swan stated that he had spoken with IT and they recommended that the printer be replaced due to the volume which required more efficiency than either the small desktop printer or the Laser printers in the Department could provide.

Mr. Goodspeed called the question and the motion was carried unanimously to approve the request to transfer funds as outlined above and to refer same to the Finance Committee. *A copy of the request for Transfer of Funds is on file with the minutes.*

Next, Mr. Swan reviewed the four corrections from the Treasurer's Office and requested approval which included a correction for Warrensburg relative to the 2007-2009 taxes for the sewage

treatment plant; and three corrections for the City of Glens Falls for which PILOTS (payments in lieu of taxes) were not paid correctly.

Motion was made by Mr. Stec, seconded by Mr. Thomas and carried unanimously to approve the corrections from the Treasurer's Office as outlined above and the necessary resolution was authorized for the July 16, 2010 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Addressing pending items, Mr. Swan stated that he continued to work on the issue of allowing credit card installments for property tax payments and the issue was progressing. He noted that he had spoken with Frank O'Keefe, Treasurer, and Mr. Dusek, and one caveat relative to installment payments was the fact that the County made the school districts whole and it may not be in the best interest of the County to allow installments. He stated that he would obtain additional information and report back to the Committee next month.

Pertaining to New Business, Mr. Swan explained that he had re-read the Real Property Tax Laws and noted that Section 1138 indicated that if the County was unable to collect taxes for any reason, the property could be declared tax exempt with the local assessor. He noted that such a policy would enable RPTS to save approximately \$18,000 per year for unpaid taxes made whole by the County, relative to several allegedly contaminated properties in Warren County. He noted that the County Attorney's Office had sought additional information and that other counties had used the exempt status in like manner. Mr. Stec stated that the resultant benefit would be the full realization of revenue. Mr. Swan explained that although the County had contributed to revenue for the schools, the County would not receive tax revenue on the properties in question. Mr. Stec pointed out that the tax exempt status would present an undeserved benefit to the property owner and Mr. Swan concurred. Mr. Swan asserted that tax payments had not been made on the property in the absence of exempt status and it would present cost savings for the County. The exempt status, he stated, could raise the possibility of a property sale. Mr. Swan further explained that the County could not negotiate on such a sale due to the fact that the County was not listed in the title and therefore must adhere to the rules and regulations for outstanding taxes which were non-negotiable.

Discussion ensued and Mr. Girard questioned if liability coverage would remain on the tax exempt property. Mr. Swan responded affirmatively and noted that such liability would only be removed after the sale of the property at which time the property tax would be reversed to taxable status. Pertaining to the property assessment software currently in use, Mr. Swan explained that the program was designed to highlight all code changes such as tax status, which required review prior to further processing.

Mr. McDevitt asked if the cost to remediate the contamination of the Bay Road property had been determined. Mr. Swan stated that a series of tests had been outlined, as well as drilling sites for sample collection and the owner refused to allow such activity. He further explained that the site began as a foundry which cast metal and the subsequent breaking apart of molds which were cleaned with chemicals. After that time, he noted, the site was used as a machine shop. Mr. Merlino expressed his agreement with tax exempt status due to the fact that the Town residents ultimately carried the responsibility of the school taxes. Mr. Stec asked if changes in status would be granted on a case by case basis and Mr. Swan replied affirmatively. He apprised that the enforcement officer, which was the County Treasurer, must issue the certificate to the local assessor for an individual parcel and the enforcement officer must agree to issue the certificate. Mr. Goodspeed noted that the issue of tax exempt status would be placed on the pending list for the next meeting.

Concluding the agenda review, Mr. Swan addressed 2010 foreclosures and he stated the last day to redeem was August 20, 2010 which offered an additional month of redemption time for 2010. He informed of a parcel in proximity to Exit 18 and McDonald's for which a letter was received from

the New York State Department of Environmental Conservation (NYS DEC) which deemed the property contaminated. Although a buyer was interested in the property, he said, the buyer would not move forward with the sale until the contamination issue was resolved and approval was received from the NYS DEC. Mr. Swan stated that following a discussion with Mr. Dusek, it was recommended that the parcel be removed from foreclosure, as there was confirmation that the prospective buyer would follow through with the property sale following clean up. Mr. Stec noted that local developer Richard Schermerhorn was the buyer and had proposed a Marriott Hotel for the site for which site plan approval had been received.

In terms of contamination at the site, Mr. Swan stated that PCB's had been dumped in the rear of the property. Mr. McDevitt asked the size of the parcel and Mr. Swan stated that the property included approximately 7 to 8 acres. Mr. Stec informed that he was aware that the buyer had planned to add a structure in addition to the hotel and Mr. Swan concurred that the hotel would utilize approximately one-third of the property. Mr. Stec further noted that construction on Main Street, which included sewer accessibility, was nearly complete. Concluding discussion of the proposed sale of the foreclosed property which had contamination issues, Mr. Swan stated that he would notify Mr. Dusek of his recommendation to remove the parcel from foreclosure to expedite the necessary processes leading to the sale of the parcel.

Mr. Swan reported that Warren County had the lowest equalization tax rate in the State of New York as listed in *The Monitor*, a New York State newsletter. He noted that the rates included the 2009 School Tax Rate and the January 2010 Property Tax Rate. Mr. Goodspeed praised the findings and pointed out that the above statistic directly countered information reported by the local media during the budget preparation activities. Mr. Swan stated that he would email the report to the Committee members.

A discussion ensued regarding the variation in tax rates within the Towns of Warren County and Mr. Swan noted that the richness of the district in terms of the assessed values, which included many Lakefront properties, had a direct effect on the tax rate.

Mr. Merlino thanked the Committee and Mr. Swan for the recent approval of the sale of a Lake Luzerne parcel which had been placed on the tax rolls.

As there was no further business to come before the Real Property Tax Services Committee, on motion by Mr. Stec and seconded by Mr. Merlino, Mr. Goodspeed adjourned the meeting at 11:35 a.m.

Respectfully submitted,

Joanne Collins, Legislative Office Specialist